

**CHAPTER NO. 772**

**SENATE BILL NO. 2229**

**By Elsea, Atchley, Dixon, Rochelle**

Substituted for: House Bill No. 2214

By Hargett, McDaniel, Raymond Walker, Bowers

AN ACT To amend The Tennessee Employment Security Law, Tennessee Code Annotated, Section 50-7-502(a).

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:


SECTION 1. Tennessee Code Annotated, Section 50-7-502(a), is amended by adding the following language as a new subdivision (8):

(8) Notwithstanding subdivision (3), Reed Act money credited with respect to federal fiscal years 1999, 2000 and 2001, and allocated for the federal fiscal years 2000, 2001 and 2002, shall be used solely for the administration of the unemployment insurance program, and such Reed Act money shall not otherwise be subject to the requirements of this subdivision (3) when appropriated by the legislature.

SECTION 2. The department is urged to prioritize the use of all funds available to the department with the highest priority being to provide services in areas with high unemployment.

SECTION 3. This act shall take effect upon becoming law, the public welfare requiring it.

  
JOHN S. WILDER  
SPEAKER OF THE SENATE

  
JIMMY NAIFEH, SPEAKER  
HOUSE OF REPRESENTATIVES

**PASSED: April 6, 1998**

APPROVED this 22nd day of April 1998

  
DON S. QUINN GOVERNOR